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Letter dated 8 February 2018 from the Chargé d'affaires a.i. of the Permanent Mission of Mexico to the United Nations addressed to the Chair of the Committee

I hereby refer to the strengthening of the Security Council sanctions regime against the Democratic People's Republic of Korea as a result of the adoption of resolution 2371 (2017).

Pursuant to paragraph 18 of that resolution, I attach herewith a report on the measures taken by Mexico to implement effectively its provisions (see annex).

(*Signed*) Juan **Sandoval Mendiolea**
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Annex to the letter dated 8 February 2018 from the Chargé d'affaires a.i. of the Permanent Mission of Mexico to the United Nations addressed to the Chair of the Committee

Report of Mexico on the implementation of Security Council resolution 2371 (2017)

In order to implement Security Council resolution 2371 (2017) concerning the Democratic People's Republic of Korea effectively, as well as the other Security Council resolutions prohibiting the Democratic People's Republic of Korea from developing nuclear weapons and ballistic missiles and imposing sanctions against individuals or entities linked to their development, the President of Mexico, Enrique Peña Nieto, issued a decree on 7 September 2017, which was published in the Official Gazette, through which the competent agencies of the Mexican Government were instructed to comply fully with Security Council resolutions on the Democratic People's Republic of Korea.

The decree instructs the Ministry of Foreign Affairs to make public the lists issued by the Security Council or its subsidiary bodies identifying individuals or entities subject to the sanctions regime against North Korea that has been in place since 2006.

The competent national authorities (Ministry of Economic Affairs, Ministry of Finance and Public Credit, the National Immigration Institute, the Ministry of the Navy and the Ministry of Foreign Affairs), report that they have implemented the following actions to date, within their spheres of competence, to comply with the relevant provisions of resolution 2371 (2017).

By means of a decision published in the Official Gazette on 20 September 2017, the Ministry of Foreign Affairs informed the public of the resolutions adopted and lists issued by the Security Council concerning the Democratic People's Republic of Korea, including resolution 2371 (2017).

On 21 September 2017, the Ministry of Foreign Affairs and the Ministry of Economic Affairs jointly published, in the Official Gazette, an update to the decision establishing measures to restrict the export or import of various goods to listed countries, entities and individuals (embargoes agreement), with a view to implementing the extended measures imposed by the Security Council against the Democratic People's Republic of Korea relating to the export and import of the materials and goods contained in resolution 2371 (2017).

The Financial Intelligence Unit of the Ministry of Finance and Public Credit reported that the 2014 financial reform established, among other things, the concept of "blocked persons", meaning that the various agencies and institutions in the financial sector must immediately suspend acts, transactions or services with any clients or users on the list issued by the Ministry of Finance and Public Credit.

Listing by the Security Council and its sanctions committees is one of the criteria established by the Financial Intelligence Unit for inclusion on the blocked persons list. Financial institutions have an obligation to immediately suspend acts, transactions or services with customers or users reported to them by the Ministry of Finance and Public Credit through a blocked persons list, which is confidential. The purpose of the blocked persons list is to prevent and detect acts, omissions or transactions involving resources that could be used for the proliferation of weapons of mass destruction.

As a result, the Financial Intelligence Unit updated the blocked persons list in accordance with annexes I and II of resolution 2371 (2017). The Unit also reiterated its request to the Mexican financial and non-financial sectors to suspend acts, transactions or services with clients or users designated in the lists in resolution 2371 (2017), including cases in which the designated individuals or entities appear as:

- Owner, joint owner, trustor or legal representative or proxy, including when identified as beneficiary or trustee, to take effect whenever the trust's funds are to be used.
- Agent managing funds for clients or users.
- Owner of rights, funds or property, joint owner or direct or indirect owner, including any funds arising from such rights, funds or property.

The Directorate-General of Protocol of the Ministry of Foreign Affairs reported that, as at 2016, there were five accredited diplomats of the Democratic People's Republic of Korea in Mexico. Currently, and in compliance with resolution 2371 (2017), the embassy in Mexico is composed of three staff members. North Korean diplomats receive their salary through a single bank account, into which value-added tax reimbursement to the embassy and its staff is deposited.

The National Immigration Institute added the persons listed in resolution 2371 (2017) to national immigration alerts to prevent their entry into or transit through Mexican territory.

The Ministry of the Navy constantly monitors maritime traffic to ensure early detection and identification of foreign vessels sailing towards national waters. The Ministry of the Navy instructed naval command units and port authorities to work with general port administrations to follow and report cases of North Korean vessels attempting to reach Mexican ports, pursuant to Security Council resolutions, including resolution 2371 (2017).